

Transportation Information Update*

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AIR TRANSPORTATION

1. Air travellers' complaints decline

The number of complaints filed against Canada's air carriers fell 11 per cent in 2007, but more things went wrong during each trip. There were 420 complaints investigated by the Canadian Transportation Agency (CTA), compared with 474 in 2006. Air Canada and its Jazz affiliate had 310 grievances compared to 12 against WestJet. Air Transat had the second-highest number of complaints (41) filed against it. The complaints against Air Canada and its affiliate declined 17%, those against WestJet remained the same and those against Air Transat increased 36%.

2. Canadian Transportation Agency Information on Zoom Airlines Shutdown

After Zoom Airlines decided to suspend its flights, the Canadian Transportation Agency has suspended the licences of Zoom Airlines. It provided passengers advice on alternative travel arrangements and on claims for reimbursement.

3. Airlines to lose US\$5.2 billion in 2008 - Slowing Demand and High Oil to Blame

The International Air Transport Association (IATA) announced on September 3, 2008 a revised industry financial forecast that would see the global airline industry post losses of US\$5.2 billion in 2008 based on an average crude oil price of US\$113 per barrel (US\$140 for jet fuel). The combination of high oil prices and falling demand was cited as the cause for the industry's poor profitable situation. North American carriers accounted for the bulk of the \$5 billion losses. IATA predicted its outlook for 2009 indicating that its losses would decline by \$1 billion to \$4 billion.

4. WestJet announces all-time record load factor of 88.4 per cent

WestJet on September 4, 2008 announced its August 2008 traffic results: a load factor of 88.4 per cent (a rise of 0.4 points compared to August 2007); available seat miles of 1.577 billion miles (a capacity increase of 21.9 per cent compared to August 2007); and revenue passenger seat miles of 1.394 billion miles (an increase of 22.4 per cent compared to August, 2007). The CEO for WestJet, Sean Durfy, stated "We are extremely pleased with our record load factor for August, ... The effort required to run our operations efficiently at an 88.4 per cent load factor takes extraordinary commitment from WestJetters."

5. WestJet posts best load factor yet as passengers soar

While airlines around the world slashed capacity to make ends meet, WestJet Airlines Ltd. flew more customers in August 2008 and posted its best load factor yet. An analyst at the National Bank said WestJet's performance in the past two Augusts has been surprisingly strong. The main reasons for the rise in passengers are "compelling prices" and customers booking months in advance to avoid fuel surcharges. The number of passengers carried is expected to increase with a drop in fuel prices and new transborder routes.

6. Air Canada reports August traffic

Air Canada reported a load factor of 85.4 percent for August 2008, 1.0 point higher than that recorded in August 2007. The main line carrier flew 0.8 percent less revenue passenger miles (RPMs) in August 2008 than in August 2007. Air Canada's capacity decreased by 2 percent for August 2008. Jazz's capacity for August 2008 decreased 4.1 per cent, resulting in a load factor of 73.2 percent, compared to 77.3 percent in August 2007, a decrease of 4.1 points. On a combined basis (Air Canada and Jazz), system traffic decreased 1.5 per cent while capacity decreased 2.2 percent,

Current Developments in Brief

Air Transportation

CANADA

1. Air travellers' complaints decline, September 2, 2008, www.globeandmail.ca
2. Canadian Transportation Agency Information on Zoom Airlines Shutdown, August 29, 2008, www.cta-otc.gc.ca
3. Airlines to lose US\$5.2 billion in 2008 - Slowing Demand and High Oil to Blame, September 3, 2008, www.iata.org
4. WestJet announces all-time record load factor of 88.4 per cent, September 4, 2008, www.westjet.ca
5. WestJet posts best load factor yet as passengers soar, September 5, 2008, www.nationalpost.ca
6. Air Canada reports August traffic, September 4, 2008, <http://www.aircanada.com/en/about/media/facts/index.html>
7. Canada tells airlines to respect passenger rights, September 5, 2008, www.globeandmail.ca
8. Canada Concludes Blue Sky Agreement with the Dominican Republic, September 5, 2008, www.tc.gc.ca
9. Regina is off to Vegas, baby!, September 8, 2008, www.westjet.ca
10. IATA, EUROCONTROL and CANSO Commit to Efficiency Plan, September 9, 2008, www.iata.org
11. The European Court of First Instance [CIF] has ruled that the European Commission does not have to pay damages to MyTravel - formerly Airtours - for blocking its merger with rival First Choice Holidays, September 9, 2008, www.globalcompetitionreview.com
12. Victoria is off to Vegas, baby!, September 9, 2008, www.westjet.ca
13. WestJet comments on CAW remarks, September 9, 2008, www.westjet.ca
14. Air Canada to offer live internet access to customers in flight, <http://www.aircanada.com/en/about/media/facts/index.html>
15. Conservative Party of Canada Has Pledged to Reduce Federal Fuel Excise Tax on Aviation Fuel, www.atac.ca
16. Saskatoon is off to Vegas, baby!, September 10, 2008, www.westjet.ca
17. Air Canada and Spafax Canada launch entertainment and shopping portal, September 10, 2008, <http://www.aircanada.com/en/about/media/facts/index.html>
18. Harper to loosen foreign ownership limits for airlines, uranium mines, September 12, 2008, www.nationalpost.ca
19. WestJet wants guests to Fly Free, September 12, 2008, www.westjet.ca
20. WestJet wants guests to Fly Free, September, 12, 2008, www.westjet.ca
21. BAA Agrees to Sell Gatwick, September 17, 2008, www.globalcompetitionreview.com

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resulting in a load factor of 84.4 percent for August 2008, 0.6 percentage points higher than a year earlier. International traffic (RPMs) increased by 1.9% for the same period on a capacity decrease of 1.9%.

7. Canada tells airlines to respect passenger rights

On September 5, 2008, Transport Minister Lawrence Cannon unveiled an "airline passenger bill of rights". It will increase protection for consumers and promote a code of conduct for carriers. The six-point code of conduct for airlines for domestic air carriers is now required to prominently display their terms and conditions of carriage at their business offices and to post this information on their websites.

8. Canada Concludes Blue Sky Agreement with the Dominican Republic

Government officials on September 5, 2008 announced the conclusion of a new Blue Skies bilateral air transport agreement with the Dominican Republic. The agreement allows airlines of both countries to serve any city in both Canada and the Dominican Republic with their own aircraft and code-sharing services, for both passenger and all-cargo flights. Air carriers can freely decide the frequency of services and prices to be offered. In addition, services may also be offered to and from third countries.

9. Regina is off to Vegas, baby!

On September 8, 2008, WestJet commenced new seasonal non-stop service from Regina to Las Vegas. This new non-stop flight will operate twice weekly on Mondays and Fridays. WestJet Vacations offers 23 resort locations in Las Vegas.

10. IATA, EUROCONTROL and CANSO Commit to Efficiency Plan

The International Air Transport Association (IATA) signed a three-party commitment to a Flight Efficiency Plan with EUROCONTROL, and CANSO (Civil Air Navigation Services Organisation). The aim of the plan is to expedite efficiency improvements in European air traffic management to achieve annualised savings of 470,000 tonnes of fuel per year in a six-month work programme. This will save EUR390 million and reduce CO2 emissions by over 1.5 million tonnes. The plan hopes to achieve this through: enhancing en route space design; improving airspace utilization; improving terminal area procedures; improving airport operations; and improving airport awareness of best practices.

11. CFI rejects MyTravel damages claim The European Court of First Instance [CIF]has ruled that the European Commission does not have to pay damages to MyTravel - formerly Airtours - for blocking its merger with rival First Choice Holidays.

On September 9, 2008, the CIF released its decision on Airtours' 1999 attempt to acquire First Choice for £950 million. The commission initially prohibited the merger as it would damage UK competition in the package holiday market and lead to a collective dominant position among the remaining competitors. Airtours appealed the prohibition, and in 2002 the CFI overturned the commission's decision. Airtours (renamed MyTravel) filed a claim for damages to recoup the loss it had suffered as a result of the initial prohibition decision. The CFI did not grant damages.

12. Victoria is off to Vegas, baby!

WestJet announced on September 9, 2008, the commencement of new seasonal non-stop service between Victoria and Las Vegas with its departure of the inaugural flight. This new non-stop flight will operate three times weekly on Tuesdays, Thursdays and Sundays.

13. WestJet comments on CAW remarks

According to the media, the CAW is in preliminary stages of talks with WestJet workers. Captain Don Hougan, Chairman of WestJet's employee association, PACT (Pro-Active Communication Team), and member of WestJet's Board of Directors, commented, "We have strong employee representation through PACT's long-standing relationship with our WestJetters. Our employees have demonstrated that there is no need or desire for union representation....."

14. Air Canada to offer live internet access to customers inflight

On September 9, 2008, Air Canada intends to begin offering live internet service to customers inflight starting next spring under an agreement announced with Aircell. This will make Air Canada the first Canadian carrier to offer such service.

22. WestJet eliminates fuel surcharge - because we said we would, September 18, 2008, www.westjet.ca
23. Air Canada eliminates second bag fee, folds fuel surcharges into advertised fares in response to lower oil prices, Sep. 18, 2008, www.aircanada.com/en/about/media/facts/index.html
24. Airlines dropping fuel surcharges, September 18, 2008, www.globeandmail.ca
25. Halifax airport authority inks deal for multi-tenant cargo facility, September 18, 2008, www.ctl.ca
26. Aircraft movement statistics: Major airports [August 2008], September 24, 2008, www.statcan.ca
27. Aviation Competitiveness an Election Issue, Airports Say, September 25, 2008, www.cacairports.ca
28. ACE may buy Air Canada stock at premium: analyst, September 25, 2008, www.globeandmail.ca
29. Traffic Slowdown Continues - Asia Leads August decline, September 30, 2008, www.iata.org

US

1. [U.S.] Airline On-Time Performance Improves in July, September 3, 2008, www.dot.gov
2. Summary of [U. S.] Airline On-Time Performance Year-to-Date 1995-2008, September 3, 2008, www.dot.gov
3. Cathay CEO: No light at end of tunnel for aviation industry, September 10, 2008, www.americanshipper.com
4. Observatory of the Air Transport Market [Annual Report 2007], www.europa.eu
5. DHL Express continues expansion in Asia Pacific, September 10, 2008, www.ctl.ca
6. FedEx upgrades first quarter outlook as fuel prices abate, September 11, 2008, www.americanshipper.com
7. Second-Quarter 2008 System Airline Financial Data: Network Airlines Report Growing Loss Margin, September 15, 2008, www.bts.gov
8. [U.S.] July 2008 Passenger Airline Employment Down 0.8 Percent from July 2007, September 16, 2008, www.bts.gov
9. DOT Proposes Evergreen International Airlines as New U.S.-China Cargo Airline, September 24, 2008 www.dot.gov
10. EU-India Summit: EU signs civil aviation agreement with India, September 29, 2008, www.europa.eu
11. EU-US "Open Skies": Negotiations on a Second Stage EU-US Air Transport Agreement, September 29, 2008, www.europa.eu

15. Conservative Party of Canada Has Pledged to Reduce Federal Fuel Excise Tax on Aviation Fuel

On September 9, 2008, the Air Transport Association of Canada (ATAC) stated that it is gratified to learn that the Conservative Party of Canada has pledged to reduce Federal Fuel Excise Tax on Aviation Fuel from 4 cents a litre to 2 cents a litre. The reduction will amount to a savings of approximately \$50 million annually to the industry. It is the first reduction in this tax since it was implemented in 1985.

16. Saskatoon is off to Vegas, baby!

On September 10, 2008, WestJet began new seasonal non-stop service from Saskatoon to Las Vegas. This new non-stop flight will operate twice weekly on Wednesdays and Saturdays.

17. Air Canada and Spafax Canada launch entertainment and shopping portal

Air Canada and Spafax Canada, publishers of the airline's award-winning in-flight magazine, enRoute, announced the launch of a unique entertainment and shopping portal, (www.enroute.aircanada.com) on September 10, 2008.

18. Harper to loosen foreign ownership limits for airlines, uranium mines

According to the National Post, Stephen Harper, Canada's Prime Minister, said in Halifax that if his Conservative government is re-elected it would move to loosen ownership restrictions on foreign ownership of Canadian uranium mines and airlines.

19. WestJet wants guests to Fly Free

On September 12, 2008, WestJet Airlines announced another freebie - free flights - to its list of free services it offers its guests. Spreading the news through its Fly Free promotion, the airline is offering guests the opportunity to win free flights together with money.

20. WestJet wants guests to Fly Free

On September 12, 2008 (afternoon), WestJet Airlines announced - free flights - to guests. It is now available to customers in at least ten places as advertised in their local newspapers.

21. BAA Agrees to Sell Gatwick

A month after UK's Competition Commission published its Interim Report, British Airports Authority (BAA), which owns seven UK airports, announced that it would sell Gatwick airport. The commission stated that a shortage of runway capacity in the south-east is a main cause of poor service standards. It found that BAA handles 63 per cent of passenger traffic in the UK, and that it should be forced to sell not only Gatwick, but also another London airport and one of its Scottish airports. The Chief executive of BAA indicated that he does not agree with the report and that it intends to fight the Commission's call for sale of Stansted airport in the south-east.

22. WestJet eliminates fuel surcharge - because we said we would

On September 18, 2008, WestJet removed its fuel surcharge upholding its commitment to remove the surcharge when the price of fuel subsided. This acknowledges the recent decline in fuel prices which is one of the major costs in operating airlines and which has affected the profitability of the airline industry.

23. Air Canada eliminates second bag fee, folds fuel surcharges into advertised fares in response to lower oil prices

Air Canada announced on September 18, 2008, that in response to decreasing fuel prices the airline is eliminating all second checked-bag charges (\$25) and incorporating fuel surcharges (\$20-\$60) into its advertised base fares on North American flights. It will also simplify its fees for excess baggage (\$25 North America and \$100 international).

24. Airlines dropping fuel surcharges

Air Canada, WestJet Airlines Ltd. and Porter Airlines Inc. have dropped fuel surcharges. This sets the background for lower fares, as long as oil prices stay below \$100 (U.S.) a barrel, one-third below its high in July 2008 and a price that led IATA to predict that airlines would make losses for 2008. Air Canada will eliminate its surcharge for a second-checked baggage but WestJet did not have to do that as it did not have such a baggage surcharge.

25. Halifax airport authority inks deal for multi-tenant cargo facility

Halifax International Airport Authority has signed a lease agreement with Gateway Facilities to have that company build and manage an approximately 40,000 sq. ft. multi-tenant cargo facility, a \$12 million joint project, at Halifax Stanfield International Airport.

26. Aircraft movement statistics: Major airports [August 2008]

Canadian airports with NAV CANADA air traffic control (95 airports) reported 584,870 movements in August 2008 compared with 584,891 movements in August 2007, remaining relatively unchanged.

27. Aviation Competitiveness an Election Issue, Airports Say

The Canadian Airports Council called on the federal political parties on September 25, 2008 to make improving aviation competitiveness an important part of their platforms. The Council said aviation competitiveness is a key component of improving Canada's world standing in international trade and tourism.

28. ACE may buy Air Canada stock at premium: analyst

ACE Aviation Holdings Inc. could buy back Air Canada shares at a premium price by the end of this year, according to Research Capital Corp. ACE has several options, but the according

29. Traffic Slowdown Continues - Asia Leads August decline

The International Air Transport Association (IATA) released international traffic data for August 2008 that confirmed a continuing downturn. International passenger demand growth slowed to 1.3%. Passenger load factors fell by 1.8 points to 79.2% compared to the same period last year. International freight traffic saw its third consecutive month of contraction with a 2.7% decline in 2008 following drops of 1.9% in July and 0.8% in June. IATA called for government measures to reverse the decline such as the removal of fuel tax on international flights recently introduced by Brazil.

WATER TRANSPORTATION

1. Government of Canada Releases Report on the Future of the Port of Oshawa

The Honourable Lawrence Cannon, Minister of Transport, Infrastructure and Communities announced the release of a report prepared by the Honourable David Crombie with recommendations on the future of the Port of Oshawa on September 2, 2008. It makes recommendations for the disposition of the so-called caveated lands, Crown lands and lands owned by the Oshawa Harbour Commission. "The Government of Canada agrees with Mr. Crombie's finding that a robust mixed-use harbour is critical to Oshawa and the Region of Durham, as well as to Ontario and Canada."

2. Port of Vancouver Accumulated Traffic Report [Year to Date - August 2008]

The Port of Vancouver released its accumulated container traffic report for August 2008. Total year-to-date traffic was 1, 673, 576 TEUs for July 2008, an increase of 3% over July 2007. Year-to-date imports (TEUs) increased by 3% and exports increased by 3%.

3. Port of Montreal Accumulated Traffic Report [Year to Date - July 2008]

The Port of Montreal released its accumulated container traffic report for January to July 2008. Total year-to-date traffic was 858,700 TEUs for July 2008, an increase of 8.5% over July 2007. Year-to-date imports (TEUs) increased by 8.6% and exports increased by 8.5%.

4. Shippers call for elimination of antitrust immunity

The Global Shippers Forum representing shippers in North America, Europe and Asia have called for further reduction in carriers' ability to collectively discuss rates and services. It called for an end of carriers' antitrust immunity in the United States, and urged the governments of China and India to apply their antitrust laws to liner shipping. The forum is composed of the Asian Shippers' Council, European Shippers' Council, Japan Shippers' Council, the Canadian Industrial Transportation Association, and the U.S.-based National Industrial Transportation League.

Water Transportation

Canada

1. Government of Canada Releases Report on the Future of the Port of Oshawa, September 2, 2008, www.tc.gc.ca
2. Port of Vancouver Accumulated Traffic Report [Year to Date - August 2008], September 12, 2008, www.portvancouver.com
3. Port of Montreal Accumulated Traffic Report [Year to Date - July 2008], September 16, 2008, www.portofmontreal.ca
4. Shippers call for elimination of antitrust immunity, September 17, 2008, www.joc.com

US

1. DP World reports doubling in profits, August 28, 2008, www.americanshipper.com
2. Exports pump up West Coast container volume, September 5, 2008, www.joc.com
3. Container forecast revised for weak finish to 2008, September 10, 2008, www.joc.com
4. Bush names Connaughton to head FMC [Federal Maritime Commission], September 10, 2008, www.joc.com
5. Port Tracker lowers forecast for U.S. container imports, September 10, 2008, www.americanshipper.com
6. Panama Canal cargo volume expected to be flat in 2008, September 18, 2008, www.joc.com
7. New Terminals' long-term future is bright but short term may be a problem, *The Journal of Commerce*, September 8, 2008, pp. 12-15.
8. US West Coast container traffic weaker in August, September 19, 2008, www.joc.com
9. Panama looks to leverage its canal expansion to become a transshipment and commercial hub of the Americas, *The Journal of Commerce*, September 15, 2008, pp. 18-26.

RAIL TRANSPORTATION

1. Consultant Selected for Review of Rail Freight Service

The Honourable Lawrence Cannon, Minister of Transport, Infrastructure and Communities announced the selection of QGI to conduct the first two projects for the rail freight service review on August 29, 2008. The rail freight review will be conducted in two stages. The first stage, will consist of research related to the rail-based logistics system. The second stage will be led by a panel of three eminent persons who will develop recommendations and consult with interested parties before submitting a report to the Minister. The second project will provide a narrative description of the rail-based logistics system and identify operating practices of the railways, shippers/receivers, terminal operators, and shipping lines that adversely impact service, system efficiencies, and capacity.

2. CN reaches tentative labour agreement with police officers' union in Canada

CN said on September 4, 2008, that it has negotiated a tentative labour agreement with the union representing its police officers in Canada.

3. CN petitions U.S. Court of Appeals to order final STB decision on transportation merits of proposed EJ&E acquisition

On September 18, 2008, CN petitioned the United States Court of Appeals for the District of Columbia Circuit for an expedited ruling ordering the Surface Transportation Board to render a final decision on the transportation merits of CN's proposed acquisition of the principal lines of the Elgin, Joliet & Eastern Railway Company, to allow the transaction to close by the parties' Dec. 31, 2008, deadline.

4. CN Police union ratifies new collective labour agreement

On September 22, 2008, CN said that members of the Canadian National Railways Police Association (CNRPA) have ratified a new five year collective agreement with the company. It provides wage increases and changes in benefits and work rules for 75 active CN Police officers across Canada, beginning with the new year.

5. Railway carloadings [July 2008]

The Canadian railway industry loaded 23.0 million metric tonnes in July 2008, down 6.4% from July 2007. Non-intermodal traffic was the cause of the decline in contrast to intermodal and US traffic which actually rose.

6. Canadian National Railway Company Found in Breach of Service to Four Western Grain Shippers

On September 25, 2008, the Canadian Transportation Agency ruled on complaints received from six shippers about Canadian National Railway Company (CN). It found that CN has failed to provide an adequate and reasonable level of service to North East Terminal Ltd., Paterson Grain, Parrish and Heimbecker Limited, and North West Terminal Ltd. but it had not breached its level of service obligations to the Canadian Wheat Board and Providence Grain Group Inc.

Rail Transportation

CANADA

1. Consultant Selected for Review of Rail Freight Service, August 29, 2008, www.tc.gc.ca
2. CN reaches tentative labour agreement with police officers' union in Canada, September 4, 2008, www.cn.ca
3. CN petitions U.S. Court of Appeals to order final STB decision on transportation merits of proposed EJ&E acquisition, www.cn.ca
4. CN Police union ratifies new collective labour agreement, September 22, 2008, www.cn.ca
5. Railway carloadings [July 2008], September 24, 2008, www.statcan.ca
6. Canadian National Railway Company Found in Breach of Service to Four Western Grain Shippers, September 25, 2008, www.cta-otc.gc.ca

HIGHWAY TRANSPORTATION

1. MP wants speed limiters for cars too

A liberal MP recently introduced a private members bill that would require electronic speed limiters set at 150 km/h on passenger vehicles manufactured after Jan. 1, 2010, according to the *Midland Free Press*.

2. Government of Canada Supports Safe Use of Zero-emissions, Electric Low-speed Trucks

Brian Jean, Parliamentary Secretary to the Honourable Lawrence Cannon, Minister of Transport, Infrastructure and Communities announced government support for the use of low-speed vehicles. He said "The marketing of zero-emissions, electric low-speed trucks in Canada is good news. These low-speed trucks are environmentally friendly and represent one more step in our government's ambitious environmental agenda." He encouraged the use these environmentally friendly vehicles.

3. The Government of Canada Invests over \$20 Million in British Columbia's Transportation System

The federal government, under the Asia-Pacific Gateway and Corridor Initiative Transportation Infrastructure Fund, will invest a total of up to \$20.9 million in five shortsea shipping projects and two road projects in the British Columbia Lower Mainland. A potential \$43.5-million with private sector transportation service providers and municipalities in the region will be invested.

4. Government of Canada Invests in Toronto Transit: Flaherty Announces Funds Will Begin Flowing to Spadina Subway Extension

The Honourable Jim Flaherty, Minister of Finance, on behalf of the Honourable Lawrence Cannon, Minister of Transport, Infrastructure and Communities, announced that a contribution agreement has been signed by the federal, provincial and municipal governments, for the completion of the Toronto-York Spadina Subway Extension project. The Government of Canada will commit

to paying up to \$622 million for the project. Several other transit projects in the GTA are being funded by the Government of Canada.

5. No truck route included in bridge plans A new Kettle Island Bridge is expected to go up across the Ottawa River by 2031, but he residents are concerned that it will not bring much relief to congestion in the downtown core created by trucking.

6. BREAKING NEWS: Feds go through with diesel tax cut

On September 9, 2008, the Conservative government announced that if re-elected they plan to cut the four-cent-per-litre diesel excise tax in half (i.e., from 4 to 2 cents). In other words, \$600-million will be cut of the total \$1 billion yearly tax. It is believed that reducing the tax would boost the economy by lowering transportation costs for shippers, trucking companies and railways, and thereby reducing costs of goods to market.

7. FOLLOW UP: Truckers celebrate Tory cut to 'hated' tax

Prime Minister Stephen Harper's decision to cut the diesel tax drew elated responses from the industry. The Canadian Trucking Alliance (CTA) has spent years lobbying for the abolishment of the excise tax, calling it a "repugnant and

regressive," form of taxation. CTA boss David Bradley, said he will push for the remaining two cents to be scrapped as well. The carrier group estimates that the tax reduction would save the industry about \$140 million in tax or about \$1,700 annually per truck. In many regions, diesel fuel now represents the trucking industry's largest cost base, in some cases

Highway Transportation

Canada

1. MP wants speed limiters for cars too, September 2, 2008, www.todaystrucking.com
2. Government of Canada Supports Safe Use of Zero-emissions, Electric Low-speed Trucks, September 3, 2008, www.tc.gc.ca
3. The Government of Canada Invests over \$20 Million in British Columbia's Transportation System, September 5, 2008, www.tc.gc.ca
4. Government of Canada Invests in Toronto Transit: Flaherty Announces Funds Will Begin Flowing to Spadina Subway Extension, September 7, 2008, www.tc.gc.ca
5. No truck route included in bridge plans, September 8, 2008, www.todaystrucking.ca
6. BREAKING NEWS: Feds go through with diesel tax cut, September 9, 2008, www.todaystrucking.ca
7. FOLLOW UP: Truckers celebrate Tory cut to 'hated' tax, September 9, 2008, www.todaystrucking.ca
8. Feds shelve 'congestion pricing' study: Report, September 10, 2008, www.ctl.ca
9. The \$100-million team September 12, 2008, www.todaystrucking.ca
10. Diesel tax cut unlikely to affect consumers, September 15, 2008, www.todaystrucking.ca
11. Manitoba in business with Inland Port strategy, September 12, 2008, www.todaystrucking.ca
12. Travel between Canada and other countries, September 18, 2008, www.statcan.ca
13. B.C. establishes trucking safety council, September 19, 2008, www.ctl.ca
14. 2007 Border-Crossing Data, September 19, 2008, www.bts.gov
15. Litter leads to many highway crashes: MTO, September 24, 2008, www.todaystrucking.ca
16. Couriers and Messengers Services Price Index, September 25, 2008, www.statcan.ca
17. For-hire motor carriers of freight, top carriers, September 29, 2008, www.statcan.ca

US

1. Report: 2007 global freight forwarding growth slowest in 4 years, September 5, 2008, www.americanshipper.com
2. YRC [YRC Worldwide] to merge Yellow, Roadway operations, September 10, 2008, www.americanshipper.com
3. [U.S.] Freight Transportation Services Index (TSI) Rose 1.2 Percent in July [2008] from June [2008], September 10, 2008, www.bts.gov
4. US truck tonnage drops sharply in August, September 25, 2008, www.ctl.ca

surpassing labour as the carriers largest expense. The B.C. Trucking Association also praised the decision.

8. Feds shelve 'congestion pricing' study: Report

Transport Canada has cancelled a study that examines what role tolling and "congestion" pricing could have on the country's transportation system. It is believed that the project is temporarily halted.

9. The \$100-million team

The Safety Group, with offices in Ontario and Alberta, has united with Toronto-based Jones DesLauriers Insurance Management Inc., (JDIMI). The resultant brokerage boasts more than \$100 million in revenues. The two insurance industry competitors have joined forces to create what they call Canada's first "mega trucking-insurance brokerage."

10. Diesel tax cut unlikely to affect consumers

The diesel tax cut is a step in the right direction, however, consumers are unlikely to see any difference at the retail level. The Manitoba Trucking Industry said the tax reduction is a step in the right direction but will not solve all problems. A professor of supply chain management at the University of Manitoba, took a similar stance. The *Winnipeg Sun* reported him as saying a cut will be good for the trucking industry but its overall economic effect will likely be minimal.

11. Manitoba in business with Inland Port strategy

Manitoba is serious about establishing Winnipeg as a preeminent transportation hub in Canada. The provincial government introduced legislation that would create CentrePort Canada, a private-sector focused corporation to develop and promote Manitoba's inland port and would build on the province's network of air, rail, sea and trucking routes.

12. Travel between Canada and other countries

Overall, travel both to and from Canada declined in July 2008 compared with June 2008. The only category that showed an increase was trips by Canadians to other countries but since the category of Canadian trips to the US is much larger, the latter had a negative overall effect on travel by Canadians abroad. Travel by US residents to Canada and travellers from other countries to Canada were both negative.

13. B.C. establishes trucking safety council

The B.C. trucking industry has established a safety council to promote safety and reduce injuries and fatalities. Over the past five years, there were 63 fatalities, 281 serious injuries and 8,400 lost days. The lost time added up to 496,000 working days and cost the province \$170.6 million.

14. 2007 Border-Crossing Data

According to the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS), the number of truck crossings into the United States from Canada was 6.6 million, down 1.4 percent from 2006. Border crossing data from 1995 to 2007 can be found on the BTS website.

15. Litter leads to many highway crashes: MTO

Highway debris was a factor in over 20,000 crashes in Ontario between 2000 and 2006, according to the Waterloo Region Record. It resulted in over 2,300 injuries and 135 deaths.

16. Couriers and Messengers Services Price Index [August 2008]

The Couriers and Messengers Services Price Index (CMSPI) increased 1.0% in August 2008. The courier portion rose 1.3%, while the local messengers component edged down 0.3%.

17. For-hire motor carriers of freight, top carriers

The top 97 for-hire carriers (Canadian-based trucking companies earning \$25 million or more annually) generated operating revenue of \$2.6 billion and operating expenses of \$2.4 billion in the first quarter of 2008. The operating ratio (.95) remained the same compared to the same period in 2007.

GENERAL

1. Minister Pleased with Broad Input to the Strategic Review of Canada Post

The Honourable Lawrence Cannon, Minister of Transport, Infrastructure and Communities, and Minister responsible for Canada Post, indicated that he is pleased with the hundreds of submissions to the Canada Post Strategic Review Advisory Panel from individuals and organizations. The independent advisory panel, comprising Dr. Robert Campbell, Mrs. Nicole Beaudoin and Mr. Daniel H. Bader, is focusing on four major areas: market and competition; public policy objectives and responsibilities; commercial activities; and financial and performance targets.

2. The Government of Canada Will Invest over \$3.5 Million in Prince George, B.C. Transportation Infrastructure

The federal government, under the Asia-Pacific Gateway and Corridor Initiative, will invest a total of \$3.5 million in two road projects in Prince George. This represents a joint investment in excess of \$7 million with the City of Prince George. These projects will help relieve road congestion and make roads in our community safer.

3. Building Canada: Canada and Quebec sign infrastructure agreement

On September 3, 2008, the Governments of Canada and Quebec announced the signing of an infrastructure Framework Agreement worth nearly \$4 billion through to 2014 under *Building Canada*, the Government of Canada's long-term infrastructure plan. The investments made through the Framework Agreement support the 'Québec Infrastructures Plan' announced by the Government of Quebec on October 11, 2007.

4. Imports keep surpassing exports: Statcan

According to Statistics Canada, imports rose 4.6 percent in July 2008 to \$39.4 billion, the fourth consecutive monthly increase, exports also increased 2.2 percent in July 2008. Canada's trade surplus with the world declined to \$4.9 billion in July 2009 from \$5.6 billion in the previous month, as the growth in imports surpassed the growth in exports.

5. Latest edition of Who's Who in Logistics is hot off the press

The newest edition of the 1,384 page leading third-party logistics guide, *Who's Who in Logistics*, has recently been released in a two volume publication – one for the Americas and one for the International market. It contains information on: global supply managers, in-depth profiles, and detailed reviews, besides other information on the industry.

6. Canada's worldwide trade surplus declines as imports, exports rise

A report from Statistics Canada says the country's trade surplus with the world declined to \$4.9 billion in July from \$5.6 billion in June, as the growth in imports surpassed the growth in exports.

7. Most manufacturing sectors report recent gains: Statscan

According to Statcan, current dollar manufacturing sales continued their broadly-based advance in July 2007, rising 2.7 percent to \$54.1 billion, a fourth consecutive monthly increase. The transportation equipment industry continued to recover with a 2.3 percent gain.

8. Travel between Canada and other countries

Overall, travel both to and from Canada declined in July 2008 compared with June 2008. The only category that showed an increase was trips by Canadians to other countries but since the category of Canadian trips to the US is much larger, the latter had a negative overall effect on travel by Canadians abroad. Travel by US residents to Canada and travellers from other countries to Canada were both negative.

9. National tourism indicators

Tourism spending in Canada rose 0.9% in real terms in the second quarter of 2008, the same pace as in the previous quarter. Spending by Canadians continued to advance but at a slower pace, while outlays by international visitors declined for a second consecutive quarter. Tourism has increased in every quarter since 2003.

Canada

1. Minister Pleased with Broad Input to the Strategic Review of Canada Post, September 2, 2008, www.tc.gc.ca
2. The Government of Canada Will Invest over \$3.5 Million in Prince George, B.C. Transportation Infrastructure, September 2, 2008, www.tc.gc.ca
3. Building Canada: Canada and Quebec sign infrastructure agreement, September 3, 2008, www.tc.gc.ca
4. Imports keep surpassing exports: Statcan, September 10, 2008, www.todaystrucking.ca
5. Latest edition of Who's Who in Logistics is hot off the press, September 15, 2008, www.ctl.ca
6. Canada's worldwide trade surplus declines as imports, exports rise, September 15, 2008, www.ctl.ca
7. Most manufacturing sectors report recent gains: Statcan, September 16, 2008, www.todaystrucking.ca
8. Travel between Canada and other countries, September 18, 2008, www.statcan.ca
9. National tourism indicators, September 29, 2008, www.statcan.ca

US

1. OECD ups U.S. forecast, September 2, 2008, www.joc.com
2. OECD cuts projection for Canadian growth, September 2, 2008, www.globeandmail.ca
3. EU Transport Legislation Revised, September 12, 2008, www.internationaltransportforum.org
4. U.S. DOT Chief Economist: Increased Transportation Spending Does Not Equal a Sound Short-Term Economic Stimulus, September 16, 2008, www.dot.gov
5. U.S. eyes transpacific free trade deal with four nations, September 24, 2008, www.americanshipper.com

Conferences - Upcoming

1. Fields on Wheels – November 19, Winnipeg, Manitoba.
2. Freight Demand Forecasts, December 3 and 4, Vancouver, BC.
3. MITL – Translog 2009 June 17-18, Hamilton, Ontario.

Recent Publications

1. BTS Technical Report: Seasonal Variation in Traffic Congestion: A Study of Three U.S. Cities, August 2008, TR-005, www.bts.gov
2. Energy and Transport in Europe Digest, Newsletter No. 276, September 5, 2008, www.europa.eu
3. Energy and Transport in Europe Digest, No. 277, September 12, 2008, www.europa.eu
4. CAC Newsletter, September-October 2008, September 15, 2008, www.cacairports.ca

Please Register for the Upcoming Event of the Year

CTRF Conference May 24-27, 2009

*The Impact of Volatility On Canada's Supply Chains and
Transportation*

Inn at Laurel Point, Victoria, B.C., www.ctrf.ca